

FISCAL MEMORANDUM

SB 3488 – HB 3719

April 21, 2008

SUMMARY OF AMENDMENT (017172, 017181): Amendment 017172 removes language from the bill which specified that it is an offense to knowingly provide, transfer or submit false identification if the person for whom employment is being sought is an illegal alien. This language is replaced with language making it an offense to provide, transfer or submit false identification for the purposes of obtaining or maintaining employment. Amendment 017181 increases the penalty for such a violation from a Class B misdemeanor to a Class E felony.

FISCAL IMPACT OF ORIGINAL BILL:

Increase Local Revenue – Not Significant

Increase Local Expenditures – Not Significant

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures* - \$8,048,900/Incarceration

Increase Local Expenditures – Not Significant

Assumptions applied to amendment:

- Based on estimates from the Pew Hispanic Center, taken from a report by the Office of Research and Education Accountability, there were 100,000 to 150,000 unauthorized aliens residing in Tennessee in 2005. Of those persons, adult men account for 49 percent and adult women account for 35 percent. Estimate assumes 84 percent of one-half of the adult population or 42,000 unauthorized aliens would be employed in this state ($100,000 \times 50\% \times 84\% = 42,000$).
- Estimate assumes 2.5 percent (1,050) of those 42,000 unauthorized aliens would be sentenced for the Class E felony offense of knowingly providing, transferring or submitting false identification to another person for the purpose of obtaining or maintaining employment and will serve 0.3 years (109.58 days) in the first year. According to the Department of Correction, the average operating cost per inmate per day for calendar year 2008 is \$62.78. According to the U.S. Census Bureau,

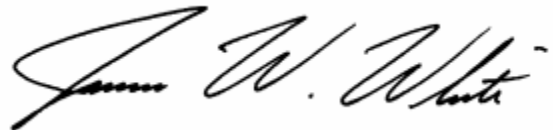
population growth in Tennessee has been 1.09 percent per year for the past 10 years, yielding a projected compound population growth of 13.6 percent over the next 10 years. Population growth will result in 120 additional offenders in the tenth year. The maximum cost in the tenth year is based on 1,170 offenders. The cost per inmate at 0.3 years is \$6,879.43 (\$62.78 x 109.58 days). The total additional operating cost for 1,170 offenders is \$8,048,933.10 (\$6,879.43 x 1,170).

- Any increase in local government expenditures to report to the Department of Homeland Security any person violating the provisions of the bill who is determined to be an illegal alien is estimated to be not significant.

**Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/cce